

TRAFFIC AND CAPACITY STATISTICS – December 2006

Summary of the headline figures

In December 2006, passenger capacity, measured in Available Seat Kilometres, was 0.1 per cent below December 2005. Traffic, measured in Revenue Passenger Kilometres, was lower by 0.5 per cent. This resulted in a passenger load factor down 0.3 points versus last year, to 73.9 per cent. The decrease in traffic comprised a 2.8 per cent increase in premium traffic and a 1 per cent decrease in non-premium traffic. Cargo, measured in Cargo Tonne Kilometres, decreased by 11.6 per cent. Severe fog conditions in the run up to Christmas led to the cancellation of more than 800 flights, affecting European and domestic services. Overall load factor fell by 0.6 points to 70.5 per cent.

For the September to December quarter, ASKs rose by 0.5 per cent, with RPKs flat. This resulted in passenger load factor down 0.4 points, to 73.7 per cent. This comprised a 2.8 per cent increase in premium traffic and a 0.6 per cent increase in non-premium traffic. CTKs fell by 9 per cent.

Market conditions

Underlying market conditions are broadly unchanged.

Strategic Developments

The airline launched a new five times a week service From Heathrow to Calgary and a new five times a week service from Gatwick to Salzburg.

The T&G's cabin crew branch is balloting its members on industrial action. The company has been in talks for some time with the T&G and Amicus on changes to work practices that would contribute toward the airline's drive to achieve a £450m reduction in costs by March 2008. Talks continue.

In response to the Government's announcement of a 100 per cent increase in Air Passenger Duty, the airline called for tax reform and said at least £87 million should be ring-fenced for spending on emissions-reducing renewable energy projects in the developing world, thereby offsetting all the airline's emissions.

The New Year flight sale featured discounts on 4.5 million seats to 140 destinations worldwide.

Avis and Vanguard have been selected as the airline's worldwide car rental partners.

January 4, 2007

BRITISH AIRWAYS MONTHLY TRAFFIC AND CAPACITY STATISTICS

BRITISH AIRWAYS SCHEDULED SERVICES	Month of December			Financial year April through to Dec		
	2006	2005	Change (%)	2006	2005	Change (%)
Passengers carried (000)						
UK/Europe	1647	1680	-2.0	18160	18001	+0.9
Americas	575	585	-1.7	5759	5682	+1.4
Asia Pacific	137	164	-16.2	1411	1426	-1.1
Africa and Middle East	335	299	+12.1	2646	2294	+15.3
Total	2694	2728	-1.3	27975	27402	+2.1
Revenue passenger km (m)						
UK/Europe	1539	1505	+2.2	17216	16687	+3.2
Americas	3867	3915	-1.2	38794	38131	+1.7
Asia Pacific	1431	1703	-16.0	14387	14680	-2.0
Africa and Middle East	2280	2039	+11.8	17768	15482	+14.8
Total	9117	9162	-0.5	88164	84981	+3.7
Available seat km (m)						
UK/Europe	2342	2402	-2.5	23561	24138	-2.4
Americas	5222	5048	+3.4	49418	47673	+3.7
Asia Pacific	1811	2224	-18.6	18173	19142	-5.1
Africa and Middle East	2958	2669	+10.9	22966	20194	+13.7
Total	12333	12343	-0.1	114118	111146	+2.7
Passenger load factor (%)						
UK/Europe	65.7	62.7	+3.0pts	73.1	69.1	+4.0pts
Americas	74.0	77.5	-3.5pts	78.5	80.0	-1.5pts
Asia Pacific	79.0	76.6	+2.4pts	79.2	76.7	+2.5pts
Africa and Middle East	77.1	76.4	+0.7pts	77.4	76.7	+0.7pts
Total	73.9	74.2	-0.3pts	77.3	76.5	+0.8pts
Revenue tonne km (RTK) (m)						
Cargo tonne km (CTK)	385	436	-11.6	3606	3685	-2.1
Total RTK	1317	1361	-3.2	12503	12169	+2.7
Available tonne km (m)	1870	1914	-2.3	17551	17354	+1.1
Overall load factor (%)	70.5	71.1	-0.6pts	71.2	70.1	+1.1pts

Certain information included in these statements is forward-looking and involves risks and uncertainties that could cause actual results to differ materially from those expressed or implied by the forward looking statements.

Forward-looking statements include, without limitation, projections relating to results of operations and financial conditions and the Company's plans and objectives for future operations, including, without limitation, discussions of the Company's Business Plan programs, expected future revenues, financing plans and expected expenditures and divestments. All forward-looking statements in this report are based upon information known to the Company on the date of this report. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

It is not reasonably possible to itemize all of the many factors and specific events that could cause the Company's forward looking statements to be incorrect or that could otherwise have a material adverse effect on the future operations or results of an airline operating in the global economy. Information on some factors which could result in material difference to the results is available in the Company's SEC filings, including, without limitation the Company's Report on Form 20-F for the year ended March 2006.

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